

COOK, YANCEY, KING & GALLOWAY

ATTORNEYS AT LAW
1700 COMMERCIAL NATIONAL TOWER
POST OFFICE BOX 22260
SHREVEPORT, LOUISIANA 71120-2260

Mona H. Miller

October 21, 1991

TELEPHONE (318) 221-6277
TELECOPIER (318) 227-2606

Writer's Direct Call No.
227-7736

17569
RECORDATION NO. _____ FILED 1425

OCT 23 1991 -12 20 PM

INTERSTATE COMMERCE COMMISSION

OCT 23 12 13 PM '91
MOTOR OPERATING UNIT

By Hand

Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20231

#16.00 filing fee

Dear Mr. Strickland:

On behalf of Commercial National Bank in Shreveport, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, executed counterparts of a primary document, not previously recorded, entitled Commercial Security Agreement ("CSA"), dated as of October 17, 1991.

The parties to the enclosed CSA are:

Aeropres Corporation (for index purposes - Mortgagor)
1324 North Hearne Suite 200
Shreveport, Louisiana 71107

Commercial National Bank in Shreveport (for index purposes - Mortgagee)
333 Texas Street
Shreveport, Louisiana 71101

The enclosed CSA covers, among other things, the grant of a security interest (mortgage) by the Mortgagor in those certain seventy (70) rail cars identified in the Continuation to Schedule A attached thereto to secure certain obligations described therein.

The units of equipment covered by the CSA are those seventy (70) rail cars identified in the Continuation to Schedule A attached thereto.

A short summary of the CSA to appear in the ICC Index is as follows:

*Need
number
- Carol Robinson
- County*

COOK, YANCEY, KING & GALLOWAY

October 21, 1991
Page 2

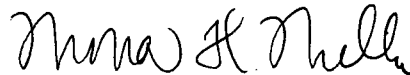
"Commercial Security Agreement covering seventy (70) rail cars securing certain obligations of Aeropres Corporation to Commercial National Bank in Shreveport."

Enclosed is a check in the amount of sixteen dollars (\$16.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterparts of the CSA not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Thank you for your assistance.

Yours very truly,



Mona H. Miller

MHM/gh
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

10/23/91

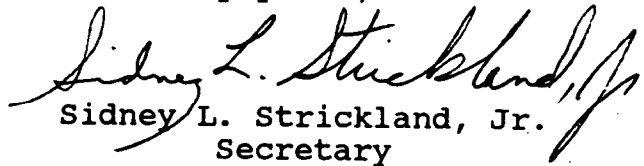
OFFICE OF THE SECRETARY

Mona H. Miller
Cook, Yancey King & Galloway
1700 Commercial National Tower
P.O. Box 22260
Shreveport, Louisiana 71120-2260

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/23/91 at 12:20pm, and assigned recordation number(s). 17569

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17569

CONTRACT NO. _____ FILE NO. _____

1. DATE. OCTOBER 17, 1991

OCT 23 1991 -12 22 PM

2. PARTIES. The parties to this agreement are the debtor(s) (whether one or more, herein "Grantor") and Lender.

INTERSTATE COMMERCE COMMISSION

3. APPEARANCE OF GRANTOR.

AEROPRES CORPORATION, a Louisiana corporation, with its registered office in Caddo Parish, Louisiana, whose permanent mailing address is 1324 North Hearne, Suite 200, Shreveport, Louisiana 71107, represented herein by B. C. McKeever, its President and Mickey R. Walker, its Assistant Treasurer, duly authorized by virtue of its Board of Directors, a certified copy of which is attached hereto.

Grantor's ☐ social security number ☒ employer identification number is: 72-0728856

Grantor's ☐ only place of business ☒ chief executive office ☐ principal residence is 1324 North Hearne, Suite 200, Shreveport, LA 71107

4. SECURITY INTEREST. Grantor grants to Lender a continuing security interest in the property described below (herein "Collateral") to secure the payment and performance of the obligations (herein "Obligations") described in this agreement.

5. OBLIGATIONS. Except for obligations for which federal law or regulation require the giving of disclosure or the right of rescission which was not or is not hereafter properly given, the security interest granted herein in the Collateral shall secure the payment and performance of all present (including antecedent and current) and future, joint, several, and/or solidary Obligations (including costs of collection and, upon the occurrence of a default under this agreement, legal expenses and attorney's fees incurred by Lender in collecting or enforcing payment or performance of such Obligations and all funds spent by Lender in preserving or protecting or realizing on the Collateral described herein) of Grantor to Lender and of _____

(whether one or more, herein "Borrower") to Lender, pursuant to:

a. This agreement and the following promissory notes and agreements:

GRANTOR OR BORROWER	INTEREST RATE	PRINCIPAL AMOUNT/ CREDIT LIMIT	NOTE/ AGREEMENT DATE	MATURITY DATE/ PAYABLE ON DEMAND

b. All present (including antecedent and current) and future, written or oral, agreements between Lender and any one or more of Grantor or _____

or (if the preceding blank is completed), both, including, but not limited to, all present (including antecedent and current) and future notes, loans, or advances (whether executed for the same or different purposes or for the same or different classes of Obligations than the preceding notes and agreements);

c. All amendments, extensions, modifications, replacements, renewals or substitutions to any of the foregoing; and
d. Applicable law.

6. COLLATERAL. Unless prohibited by federal law, federal regulation or Chapter 9 of the Louisiana Commercial Laws, the Collateral shall consist of all of the following described property and Grantor's rights, title and interest in such property, whether now owned or hereafter acquired by Grantor and wheresoever located:

- ☒ All accounts (which include contract rights), including, but not limited to, the accounts described on Schedule A attached hereto and incorporated herein;
- ☒ All chattel paper, including, but not limited to, the reversionary right of Grantor in leased goods and the chattel paper described on Schedule A attached hereto and incorporated herein;
- ☒ All deposit accounts, including, but not limited to, the deposit accounts described on Schedule A attached hereto and incorporated herein except 1) IRA, pension and other tax deferred deposit accounts, 2) trustee, succession, and other similar fiduciary or representative deposit accounts, and 3) deposit accounts in which the Truth In Lending Act and Regulation Z prohibit the taking of a security interest;
- ☒ All documents, including, but not limited to, the documents described on Schedule A attached hereto and incorporated herein;
- ☒ All equipment, including, but not limited to, the equipment described on Schedule A attached hereto and incorporated herein;
- ☐ All farm products, including, but not limited to, the farm products described on Schedule A attached hereto and incorporated herein;
- ☐ All fixtures, including, but not limited to, the fixtures located or to be located on the real property described on Schedule B attached hereto and incorporated herein;
- ☒ All general intangibles, including, but not limited to, the general intangibles described on Schedule A attached hereto and incorporated herein;
- ☐ All instruments, including, but not limited to, the instruments described on Schedule A attached hereto and incorporated herein;
- ☒ All inventory, including, but not limited to, consigned inventory and the inventory described on and located at the locations indicated on Schedule A attached hereto and incorporated herein;
- ☐ All money, including, but not limited to, the money described on Schedule A attached hereto and incorporated herein;
- ☐ Other property described on Schedule A attached hereto and incorporated herein;

All accessions, accessories, additions, amendments, attachments, modifications, parts, replacements and substitutions to any of the above;
All proceeds and products of any of the above;

All proceeds from any policies of insurance pertaining to any of the above, to the extent authorized by Chapter 9 of the Louisiana Commercial Laws or any other applicable law, all policies of insurance pertaining to any of the above, and all unearned premiums pertaining to such policies; and
All books and records pertaining to any of the above.

COMMERCIAL SECURITY AGREEMENT

7. REPRESENTATIONS, WARRANTIES AND COVENANTS. Grantor represents, warrants and covenants to Lender that:

- a. Grantor is and shall remain the sole owner of the Collateral;
- b. Grantor's chief executive office, only place of business, or residence is the address marked in paragraph 3. above. Grantor's other executive offices, places of business, locations of its business records, domiciles or residences are described on Schedule C attached hereto and incorporated herein. Grantor shall immediately advise Lender in writing of any change in or addition to the foregoing addresses;
- c. Grantor shall not become a party to any restructuring of its form of business or participate in any consolidation, merger, liquidation or dissolution without providing Lender with thirty (30) or more days prior written notice of such change;
- d. Grantor shall notify Lender of the nature of any intended change of Grantor's name, or the use of any tradename, and the effective date of such change;
- e. The Collateral is and shall at all times remain free of all tax or other liens, security interests, encumbrances or claims of any kind except for those belonging to Lender and those described on Schedule D attached hereto and incorporated herein. No liens, security interests, encumbrances or claims shall be granted or allowed by Grantor without the prior written consent of Lender. Without waiving the event of default as a result thereof, Grantor shall take any action and execute any document needed to discharge the foregoing liens, security interests, encumbrances and claims;
- f. Grantor shall defend the Collateral against all claims and demands of all persons at any time claiming any interest therein;
- g. None of the Collateral, the perfection of a security interest in which is dependent upon its location, shall be moved to a new state without the prior written consent of Lender;
- h. Grantor shall provide Lender with possession of all chattel paper, instruments, and money constituting the Collateral;
- i. All of Grantor's accounts, chattel paper, documents, general intangibles, instruments, and federal, state, parish, county, and municipal government and other permits, licenses, trusts, liens, contracts, leases, and agreements constituting Collateral are and shall be valid, genuine, and legally enforceable obligations and rights belonging to Grantor against one or more third parties and not subject to any claim, defense, set-off or counterclaim of any kind;
- j. Grantor shall not amend, extend, modify, replace, or substitute any account, chattel paper, document, general intangible, or instrument constituting the Collateral without the prior written consent of Lender except in the ordinary course of business as to such Collateral not in Lender's possession;
- k. Grantor has the right and is duly authorized to enter into and perform its obligations under this agreement. Grantor's execution and performance of these obligations does not and shall not conflict with the provisions of any statute, regulation, ordinance, rule of law, contract or other agreement which may now or hereafter be binding on Grantor;
- l. No action or proceeding is pending against Grantor which might result in any material or adverse change in its business operations or financial condition or materially affect the Collateral;
- m. Grantor has not violated and shall not violate any applicable federal, state, parish, county or municipal statute, regulation or ordinance which may materially and adversely affect its business operations or financial condition or the Collateral; and
- n. This agreement and the obligations described in this agreement are executed and incurred for business, commercial, or agricultural purposes and not for consumer purposes.

8. SALE OF COLLATERAL. Grantor shall not assign, convey, lease, sell, transfer or otherwise dispose of any of the Collateral to any third party without the prior written consent of Lender except for sales of inventory to buyers in the ordinary course of business.

9. FINANCING STATEMENT AND OTHER PAPERS. Grantor shall take all actions and execute all papers required by Lender to attach, perfect and maintain its security interest in the Collateral and establish and maintain its right to receive the payment of the proceeds of the Collateral, including, but not limited to, executing any financing statements, fixture filings, continuation statements, amendments, effective financing statements, and other papers required by Chapter 9 of the Louisiana Commercial Laws or other applicable law. Grantor shall pay the costs of filing such papers in all offices wherever filing or recording is deemed by Lender to be necessary or desirable. In lieu of filing security agreements, financing statements, and effective financing statements, Lender shall be entitled to perfect its security interest in the Collateral by filing carbon, photographic, facsimile, or other reproductions of the aforementioned security agreements, financing statements, and effective financing statements with any authority required by Chapter 9 of the Louisiana Commercial Laws or other applicable law.

10. INQUIRIES AND NOTIFICATION TO THIRD PARTIES. Grantor hereby authorizes Lender to contact any third party and make any inquiry pertaining to Grantor's financial condition or the Collateral. In addition, Lender is authorized to provide oral or written notice of its security interest in the Collateral and the obligations and records of financial transactions pertaining thereto to any third party. Furthermore, Grantor hereby grants any third party the right to disclose to Lender any records of its financial transactions with Grantor.

11. COLLECTION OF INDEBTEDNESS FROM THIRD PARTIES. Lender shall be entitled to notify, and upon the request of Lender, Grantor shall notify any account debtor or other third party (including, but not limited to, insurance companies) to pay any obligation owing to Grantor and constituting the Collateral (herein cumulatively "indebtedness") to Lender whether or not a default exists under this agreement. Grantor shall diligently collect the indebtedness owing to Grantor from its account debtors and other third parties until the giving of such notification. In the event that Grantor possesses or receives possession of any instruments or other remittances with respect to the indebtedness following the giving of such notification or if the instruments or other remittances constitute the prepayment of indebtedness or the payment of any insurance proceeds, Grantor shall hold such instruments and other remittances in trust for Lender apart from Grantor's other property, endorse the instruments and other remittances to Lender, and immediately provide Lender with possession of the instruments and other remittances. Lender shall be entitled, but not required, to collect (by legal proceedings or otherwise), extend the time for payment of, compromise, exchange or release any obligor or collateral upon, or otherwise settle any of the indebtedness whether or not an event of default exists under this agreement. Lender shall not be liable to Grantor for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom.

12. POWER OF ATTORNEY. Grantor hereby appoints Lender as his attorney-in-fact to endorse Grantor's name on all instruments and other remittances payable to Grantor with respect to the indebtedness or other papers pertaining to Lender's actions in connection with the indebtedness. In addition, Lender shall be entitled, but not required, to perform any action or execute any paper required to be taken or executed by Grantor under this agreement and to carry out and enforce all or any portion of the incorporeal rights on which Grantor has granted a security interest (or which Grantor has assigned) to Lender, including, but not limited to, the right to direct any insurer to pay all proceeds directly to Lender, to file any proof of claim, to settle or compromise any claim, to cancel any policy of insurance, to endorse Grantor's name on any draft or negotiable instrument drawn by any insurer, and to apply for a certificate of title for the Collateral. Lender shall also be entitled, but not required, to correct any and all patent errors in this agreement, any related financing statement and any other documents executed with respect to any obligations secured by this agreement. Lender's performance of such action or execution of such papers shall not relieve Grantor from any obligation or cure any default under this agreement. The powers of attorney described in this paragraph are coupled with an interest and are irrevocable.

13. USE AND MAINTENANCE OF COLLATERAL. Grantor shall use the Collateral solely in the ordinary course of his business, for the usual purposes intended by the manufacturer (if applicable), with due care, and in compliance with the laws, ordinances, regulations, requirements and rules of all federal, state, parish, county, and municipal authorities and in compliance with all insurance policies. Grantor shall not make any alterations, additions or improvements to the Collateral other than in the ordinary course of business without the prior written consent of Lender. Without limiting the foregoing, all alterations, additions and improvements made to the Collateral shall be subject to the security interest belonging to Lender, shall not be removed without the prior written consent of Lender, and shall be made at Grantor's sole expense. Grantor shall take all actions and make any repairs or replacements needed to maintain the Collateral in good condition and working order. Grantor shall not remove ordinary goods from the state in which Grantor represented to Lender that they would be located without at least thirty (30) days notice to and the prior written consent of Lender.

14. LOSS OR DAMAGE. Grantor shall bear the entire risk of any loss, theft, destruction or damage (herein cumulatively "Loss or Damage") to all or any part of the Collateral. In the event of any Loss or Damage, Grantor will either restore the Collateral to its previous condition, replace the Collateral with similar property acceptable to Lender in Lender's sole discretion, or pay or cause to be paid to Lender the decrease in the fair market value of the affected Collateral. Grantor will immediately notify Lender of any Loss or Damage.

15. INSURANCE. Grantor shall maintain insurance on the Collateral in an amount and on forms insuring such risks and from such companies as are acceptable to Lender in its sole discretion. The insurance policies shall require the insurance companies to provide Lender with at least thirty (30) days written notice before such policies are altered or cancelled in any manner. The insurance policies shall name Lender as a loss payee on a form acceptable to Lender and provide that no act or omission of Grantor or any other person shall affect the right of Lender to be paid the insurance proceeds pertaining to the Loss or Damage of the Collateral. Grantor hereby assigns to Lender all his rights to collect any monies under such insurance policies to the extent that any such assignment is the transfer of an interest or claim excluded from Chapter 9 of the Louisiana Commercial Laws.

COMMERCIAL SECURITY AGREEMENT

16. INDEMNIFICATION. Lender shall not assume or be responsible for the performance of any of Grantor's obligations with respect to the Collateral under any circumstances. Grantor shall immediately provide Lender with written notice of and indemnify and hold Lender and its shareholders, directors, officers, employees and agents harmless from all claims, damages, liabilities (including attorney's fees and legal expenses), causes of action, actions, suits and other legal proceedings (herein cumulatively "Claims") pertaining to his business operations or the Collateral, including, but not limited to, those arising from Lender's performance of Grantor's obligations with respect to the Collateral. Grantor, upon the request of Lender, shall hire legal counsel to defend Lender from such Claims, and pay the attorney's fees, legal expenses and other costs incurred in connection therewith. In the alternative, Lender shall be entitled to employ its own legal counsel to defend such Claims at Grantor's cost.
17. TAXES AND ASSESSMENTS. Grantor shall execute and file all tax returns and pay all taxes, licenses, fees and assessments relating to his business operations and the Collateral (including, but not limited to, income taxes, personal property taxes, payroll taxes, sales taxes, use taxes, excise taxes and worker's compensation premiums) in a timely manner.
18. INSPECTION OF COLLATERAL AND BOOKS AND RECORDS. Grantor shall allow Lender or its agents to examine, inspect and make abstracts and copies of the Collateral and Grantor's books and records pertaining to Grantor's business operations and financial condition or the Collateral during normal business hours. Grantor shall provide any assistance required by Lender for these purposes. All of the signatures and information pertaining to the Collateral or contained in the books and records shall be genuine, true, accurate and complete in all respects. Grantor shall note the existence of Lender's security interest in his books and records pertaining to the Collateral.
19. DEFAULT. Grantor shall be in default under this agreement in the event that Grantor, Borrower or any guarantor: a) fails to pay or perform any one or more of the Obligations, b) violates any federal or state environmental law or regulation, c) dies, d) dissolves, liquidates or terminates existence, e) becomes insolvent, f) becomes unable to pay debts as they mature, g) suspends business, h) engages in a respite, i) engages in an assignment for the benefit of creditors, j) becomes the subject of a receivership, k) is convicted of a crime other than a traffic violation, l) allows his property to become subject to any tax lien or be sold by local, state or federal taxing authorities, m) conceals, removes, transfers or permits to be concealed, removed, or transferred any of his property with intent to hinder, delay, or defraud any creditors, n) transfers any of his property to any creditor on account of an antecedent debt while insolvent if such transfer has the effect of preferring that creditor over other creditors, o) files or has filed against him a petition for an order for relief under the Bankruptcy Code, p) fails to pay any of the Obligations in full in the event of negative amortization, q) allows any of his property to be seized by any federal or state drug or other law enforcement authorities, r) is the subject of a judgment, s) breaches any representation, warranty, or covenant to Lender contained in this agreement or any other present or future, written or oral agreement, t) provides or causes any false or misleading signature or representation to be provided to Lender, u) suffers the Collateral to be damaged, destroyed, lost or stolen in any material respect if not covered by collectable insurance in the amount thereof, v) seeks to revoke, terminate or otherwise limit his liability under any continuing guaranty, or w) causes Lender to deem itself insecure in good faith for any reason.
20. RIGHTS OF LENDER ON DEFAULT. If there is a default under this agreement, Lender shall be entitled to exercise one or more of the following remedies without notice, demand, or putting in default (which are expressly waived):
- a. To declare the Obligations immediately due and payable in full;
 - b. To exercise all remedies and rights allowed Lender under Chapter 9 of the Louisiana Commercial Laws, other applicable Chapters of the Louisiana Commercial Laws, and all other applicable law; and
 - c. To change Grantor's mailing address, open Grantor's mail, and retain any instruments or other remittances constituting the Collateral contained therein as authorized by law.
21. CONFESSION OF JUDGMENT, CONSENT TO EXECUTORY PROCESS AND WAIVER OF DEMAND FOR PAYMENT AND APPRAISAL. Grantor does hereby acknowledge the Obligations secured by this agreement, whether now existing or arising hereafter, and does hereby confess judgment in favor of Lender for the full payment and performance of the Obligations secured hereby. Grantor further agrees that in the event of a default under this agreement, Lender may seize and sell any of the Collateral under executory process. Grantor waives the demand for payment provided for by Article 2639 of the Louisiana Code of Civil Procedure and the right to and benefit of appraisal provided for by Article 2723 of the Louisiana Code of Civil Procedure.
22. KEEPER AGREEMENT. Grantor and Lender expressly agree that, in the event the Collateral is seized as an incident to an action to enforce this agreement, Lender may serve as keeper or may name the keeper at the time the seizure is effected, and this appointment shall be in accordance with the provisions of LSA-R.S. 9:5136, et seq.
23. APPLICATION OF PAYMENTS. Whether or not a default has occurred under this agreement, all payments made by or on behalf of Grantor and all credits due to Grantor from the disposition of the Collateral or otherwise may be applied against the amounts paid by Lender (including attorney's fees and legal expenses) in connection with the exercise of its rights or remedies described in this agreement and any interest thereon and then to the payment of the remaining Obligations in whatever order Lender chooses.
24. REIMBURSEMENT OF AMOUNTS EXPENDED BY LENDER. Lender may advance in its sole discretion and Grantor shall reimburse Lender for all amounts (including, but not limited to, the reasonable expenses of insuring, retaining, holding, preparing for sale or lease, selling, leasing and the like, attorney's fees as set forth in paragraph 31. below, and legal expenses) expended by Lender in the performance of any action required to be taken by Grantor or the exercise of any right or remedy belonging to Lender under this agreement, together with interest thereon at the highest rate described in any promissory note or credit agreement executed by Grantor or Borrower from the date of payment until the date of reimbursement. These sums shall be included in the definition of Obligations and shall be payable upon demand.
25. ASSIGNMENT. Grantor shall not be entitled to assign any of his rights, remedies or obligations described in this agreement without the prior written consent of Lender. Consent may be withheld by Lender in its sole discretion. Lender shall be entitled to assign some or all of its rights and remedies described in this agreement, including, but not limited to, its interest, or any part thereof, in the Obligations, or any of them, and in the Collateral, or any of it, without notice to or the prior consent of Grantor in any manner. Upon such assignment, and to the extent thereof, Lender shall be fully discharged from all responsibility with regard to the Collateral. The assignee shall be vested with all of the rights and obligations of Lender with respect to the Collateral which is assigned. Grantor hereby assigns to Lender all incorporeal rights that are incidental or accessory to the Collateral whether or not such rights are evidenced in writing or are now existing or hereafter arise if such assignment is a transaction excluded from Chapter 9 of the Louisiana Commercial Laws.
26. MODIFICATION AND WAIVER. The modification or waiver of any of Grantor's Obligations or Lender's rights under this agreement must be contained in a writing signed by Lender. Lender may perform any of Grantor's Obligations or delay or fail to exercise any of its rights without causing a waiver of those Obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Grantor's Obligations under this agreement shall not be affected if Lender amends, extends, compromises, exchanges, fails to exercise, impairs or releases any of the obligations belonging to any Grantor or third party or any of its rights against any Grantor, third party, or Collateral.
27. SUCCESSORS AND ASSIGNS. This agreement shall be binding upon and inure to the benefit of Grantor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, heirs, succession representatives, legatees, and devisees.
28. NOTICES. Any notice or other communication to be provided under this agreement shall be in writing and shall be sent to the parties at the addresses described in this agreement or such other addresses as the parties may designate in writing from time to time.
29. SEVERABILITY. If any provision of this agreement violates the law or is unenforceable, the rest of the agreement shall remain valid.
30. APPLICABLE LAW. This agreement shall be governed by the laws of Louisiana. Grantor consents to the jurisdiction and venue of any court located in Louisiana in the event of any legal proceeding under this agreement.
31. COLLECTION COSTS. If Lender hires an attorney to assist in collecting any amount due or enforcing any right or remedy under this agreement, Grantor agrees to pay Lender's reasonable attorney's fees and collection costs subject to any restrictions imposed by law.
32. REMEDIES CUMULATIVE. All rights and remedies of Lender shall be cumulative and may be exercised individually or together and in any order. The election by Lender of any specific remedy shall not preclude the exercise of other remedies.

COMMERCIAL SECURITY INTEREST AGREEMENT

33. STANDARDS. The standards Lender is to follow with respect to Collateral in Lender's possession are: a) Lender's performance of its obligation to exercise reasonable care in the custody and preservation of Collateral in its possession shall be considered commercially reasonable if Lender exercises a degree of care similar to that which it usually employs in the care of similar assets in its possession. In the case of instruments or chattel paper in its possession, the obligation to preserve rights against prior parties remains with the Grantor and Lender's obligation is limited to cooperating with the Grantor, on written request, to the extent that it is deemed commercially reasonable and consistent with full preservation of any security interest granted to Lender in this or in any other security agreement. Lender may, at its option, take any steps deemed necessary or advisable by it to preserve rights against third parties but assumes no obligation to do so. b) Lender assumes no management obligations regarding the Collateral and is under no obligation to respond to notices, send notices, exercise options, perform services, or take any actions in connection with the Collateral. Lender's sole obligation with respect to management of the Collateral is, upon the written request of Grantor, to make a good faith effort to refer relevant notices it may receive regarding the Collateral to Grantor and to cooperate with Grantor to the extent that to do so is commercially reasonable and consistent with full preservation of any security interest granted to Lender in this or in any other security agreement. At its option, Lender may take any steps deemed necessary or advisable in the management of the Collateral but assumes no obligation to do so, including, but not limited to, 1) transferring the Collateral to its own name or into the name of one of its nominees, 2) making demand, suing for, collecting, compromising, or making any settlement regarding the Collateral as Lender deems commercially reasonable in the preservation or satisfaction of its security interest, 3) receiving and receipting for all stock splits, stock dividends, or other changes in shares representing the original instruments and all other benefits of any kind whatsoever arising from the Collateral, 4) voting any Collateral, 5) endorsing any Collateral and delivering same to issuer at maturity, 6) renewing any renewable Collateral at maturity and receiving renewal Collateral or demanding and receiving the proceeds thereof payable at maturity, 7) demanding and receiving and reinvesting the proceeds payable at maturity if Collateral is non-renewable, and 8) doing all and any other things which Lender deems necessary or desirable for its protection. c) Lender shall not be required to keep Collateral identifiable and may commingle such Collateral and may commingle fungible Collateral provided that Lender must return Collateral of like kind and quality upon termination of all of Lender's security interests and the payment of all Grantor's Obligations to Lender and, d) Lender may use or operate the Collateral in its possession for the purpose of preserving the Collateral or its value or in the same manner and to the same extent as if Lender owned the Collateral.

34. PURCHASE MONEY SECURITY INTEREST. If the security interest granted by Grantor is to be a purchase money security interest, Lender is authorized, but is not required, to disburse proceeds directly to the seller of the Collateral.

35. SELF HELP AND WAIVER OF APPRAISAL. In the event of default, Lender may and is hereby authorized to take immediate possession of the Collateral wherever found without process of law and to hold same until the amount due and owing is paid by Grantor or Borrower or out of the proceeds of the sale of the Collateral, and to that end the Collateral may be sold without the right of redemption by Grantor or Borrower either at public or private sale without demand for performance or without notice to Grantor or Borrower with or without having such Collateral at the place of sale, provided such action is allowed under the laws of the state where the Collateral is located or provided such action may ever be allowed under the laws of Louisiana. In the event that any law of the State of Louisiana or any other state where the Collateral might be located should require appraisal if not waived, Grantor waives his right to appraisal and authorizes any sale of the Collateral to be made without appraisal. In the event such sale is authorized in a different manner, then such sale may be conducted in any commercially reasonable manner authorized by the law of the state where the sale is to be conducted or where the Collateral is located.

36. MISCELLANEOUS. This agreement is executed for business, commercial, or agricultural purposes. Grantor shall supply information regarding Grantor's business operations and financial condition of the Collateral in the form and manner requested by Lender. All information furnished by Grantor to Lender shall be true, accurate and complete in all respects. Grantor and Lender agree that time is of the essence. All references to Grantor in this agreement shall include all parties signing below. If there is more than one Grantor, their Obligations shall be solidary. This agreement shall remain in full force and effect until Lender provides Grantor with written notice of termination. If there exists an existing security right from Grantor to Lender, Grantor's subsequent abandonment or surrender of the collateral to Lender after default shall be deemed to constitute the granting of a possessory security interest in such collateral to Lender by Grantor thereby entitling Lender, at its option, to exercise the rights provided in Louisiana Revised Statutes 10:9-503, 9-504, and 9-505. This agreement and any related papers represent the complete and integrated understanding between Grantor and Lender pertaining to the terms and conditions of this agreement and the papers.

37. ADDITIONAL TERMS.

Grantor warrants that the identifying numbers for the rail cars described on the Continuation to Schedule A attached hereto are accurate and are the numbers actually affixed to the rail cars owned by Grantor. Furthermore, Grantor covenants and agrees that such identifying numbers shall remain affixed to the rail cars and shall not be removed or changed as long as any Obligation is outstanding.

Notwithstanding anything herein to the contrary, in the event of a default other than a payment default, Grantor shall have 90 days to cure said default after written notice thereof by Lender.

* Commercial National Bank in Shreveport appears herein both individually as a lender and as agent for Pioneer Bank & Trust Company pursuant to an Inter-Creditor Agreement executed among Commercial National Bank in Shreveport, Pioneer Bank & Trust Company, and Grantor, dated October 16, 1991. All references herein to "Lender" shall mean and include both Commercial National Bank in Shreveport and Pioneer Bank & Trust Company and each of them.

This agreement was executed in multiple counterparts by B. C. McKeever, President and Mickey R. Walker, Asst. Treasurer of AEROPRES CORPORATION, who appeared personally before me, notary public, and in the presence of the undersigned competent witnesses, this 17th day of October, 1991.

WITNESSES:

K.W. Adon

Ernest H. Lyphelitz

Mary L. Bourdette
NOTARY PUBLIC

AEROPRES CORPORATION

By: B. C. McKeever
B. C. McKeever, President

By: Mickey R. Walker
Mickey R. Walker,
Assistant Treasurer

Commercial National Bank
in Shreveport

By: [Signature]

SCHEDULE A TO SECURITY AGREEMENT
DATED OCTOBER 17, 1991
BETWEEN COMMERCIAL NATIONAL BANK
IN SHREVEPORT AS LENDER AND
AEROPRES CORPORATION AS GRANTOR

I.

The security interest granted by the security agreement to which this Schedule A is attached shall not extend to truck and trailer rolling stock but shall extend to all other equipment now owned or hereafter acquired by Grantor, including, but not limited to:

- (a) the rail cars described on the attached Continuation to Schedule A and all other rail cars now owned or hereafter acquired by Grantor; and
- (b) all liquid natural gas tanks and bulk storage facilities of every kind now owned or hereafter acquired by Grantor, including, but not limited to, liquid natural gas tanks leased to consumers, liquid natural gas bulk storage tanks at retail locations from which sales are made to consumers, hydrocarbon aerosol propellant bulk storage facilities, and/or "steel in the field."

II.

Without limiting the generality of the descriptions of collateral contained in paragraph 6 of the security agreement to which this Continuation to Schedule A is attached, the security interest granted by the security agreement shall specifically include:

- (a) all leases, contracts, chattel paper and agreements of any kind between Grantor and third parties (or which have been sold, assigned, or otherwise transferred to Grantor) pertaining to the use of the liquid natural gas tanks and bulk storage facilities described in the foregoing paragraph I(b), and the accounts receivable and revenues generated thereby;
- (b) all contracts and agreements for the sale by Grantor to third parties of liquid natural gas and hydrocarbon aerosol propellants, whether to industrial or consumer purchasers, and the accounts receivable and revenues generated thereby; and

(c) all of Grantor's inventories of liquid natural gas and hydrocarbon aerosol propellants, wherever located, and including, without limitation, Grantor's inventories at the following locations:

- (1) Highway 7 South
Sibley, Louisiana 71073
- (2) 318 Valley Road #1
Somerville, New Jersey 08876
- (3) 100 South Park Road
Manhatten, Illinois 60442
- (4) 429 South Cataract Avenue
San Dimas, California 91773
- (5) 810 Washington Street
Mansfield, Louisiana 71052
- (6) 230 Texas Road
Many, Louisiana 71449
- (7) 3365 Lake Charles Highway
Leesville, Louisiana 71446
- (8) 3003 Benton Road
Bossier City, Louisiana 71111
- (9) 688 Mill Street
Ringgold, Louisiana 71068

Continuation of Schedule
A to the Security
Agreement Dated October 17, 1991
between Commercial National Bank as
Lender and Aeropres Corporation as Grantor

<u>CAR NO</u>	<u>DOT</u>	<u>CAP</u>	<u>GALS</u>	<u>L WT</u>	<u>MANUFACTURER</u>	<u>DATE BUILT</u>	<u>CERT OF CONST</u>
AREX2501	112J340W	1165000	33542	98900	GENERAL AMERICAN	05/01/73	F733058
AREX2502	112J340W	1164000	33547	98600	GENERAL AMERICAN	06/01/73	F733058
AREX2503	112J340W	1161100	33542	101900	GENERAL AMERICAN	05/01/73	F733058
AREX2504	112J340W	1160900	33490	102100	GENERAL AMERICAN	10/01/78	F733058
AREX2505	112J340W	1156900	32750	106100	GENERAL AMERICAN	06/01/65	B785005
AREX2507	112T340W	1157000	32687	105800	NORTH AMERICAN	07/01/80	B805011
AREX2508	112J340W	2157000	32728	105200	NORTH AMERICAN	06/01/64	B805011
AREX2509	112J340W	2156000	33928	106500	NORTH AMERICAN	03/01/71	G805009/25426
AREX2510	112J340W	1152000	33854	110800	NORTH AMERICAN	12/01/65	B785005
AREX2511	112J34W	1155000	33992	107200	NORTH AMERICAN	02/01/71	25426
AREX2512	112J340W	1158000	33909	104600	NORTH AMERICAN	02/01/71	G805009
AREX2513	112J340W	157000	34078	105700	NORTH AMERICAN	11/01/70	25426
AREX2514	112J340W	160100	33697	102900	RICHMOND	06/01/70	23656 REV. "A"
AREX2515	112J340W	151000	33820	111400	NORTH AMERICAN	09/01/77	B785005
AREX2516	105J300W	162300	34041	100700	RICHMOND	06/01/80	A804027"A"
AREX2517	105J300W	161900	34055	101109	RICHMOND	06/01/80	A804027"A"
AREX2518	112J340W	161000	33618	102000	RICHMOND	05/01/70	23656 REV"A"
AREX2519	112J340W	156000	33989	107000	NORTH AMERICAN	03/01/91	25426
AREX2520	112J340W	161000		101300	ACF IND.	11/01/70	A8-14199
AREX2521	112J340W	161000	33727	101400	ACF IND.	12/01/70	25241
AREX2522	112J340W	16000	33700	102300	ACF IND.	11/01/70	A8-14199
AREX2523	112J340W	161600	33662	101400	ACF IND.	11/01/70	24423
AREX2524	105J300W	163000	34057	100000	RICHMOND	12/01/78	F774012
AREX2525	105J300W	164700	34066	98300	RICHMOND	12/01/78	F774012
AREX2526	112J340W	157700	33989	105300	NORTH AMERICAN	11/01/70	25426
AREX2527	112J340W	158300	33934	104700	NORTH AMERICAN	02/01/71	G805009
AREX2528	112J340W	158300	33961	104700	NORTH AMERICAN	11/01/70	25426

Continuation of Schedule
A to the Security
Agreement Dated October 17, 1991
between Commercial National Bank as
Lender and Aeropres Corporation as Grantor

<u>CAR NO</u>	<u>DOT</u>	<u>CAP</u>	<u>GALS</u>	<u>L</u> <u>WT</u>	<u>MANUFACTURER</u>	<u>DATE BUILT</u>	<u>CERT</u> <u>OF</u> <u>CONST</u>
AREX2529	105A300W	161600	34020	101400	RICHMOND	09/01/80	A804027"A"
AREX2530	105J300W	162400	34049	100600	RICHMOND	09/01/80	A804027"A"
AREX2531	105A300W	164600	34058	98400	RICHMOND	12/01/78	F774012
AREX2532	105A3002	1163400	34085	99600	RICHMOND	12/01/78	F774012
AREX2533	105A300W	163800	34013	99200	RICHMOND	04/01/79	F774012
AREX2534	105A3002	162800	34100	100200	RICHMOND	1978	F774012
AREX2535	112J340W	131700	33849	111300	NORTH AMERICAN	04/01/66	B785005
AREX2536	112J340W		33900		NORTH AMERICAN		B785005
AREX2538	112J340W	151000	33777	111300	NORTH AMERICAN	03/01/66	G785003
AREX2539	112J340W	151000	33829	111300	NORTH AMERICAN	03/01/66	B785005
AREX2540	112J340W	150000	33873	112300	NORTH AMERICAN	03/01/66	B785005
AREX2541	112J340W	151000	33827	111200	NORTH AMERICAN	03/01/66	B785005
AREX2542	105J300W	162800	34031	100200	RICHMOND	09/01/80	A804027"A"
AREX2543	112J340W	160800	33663	102200	RICHMOND	05/01/70	23656 REV"A"
AREX2544	112J340W	157000	33760	106000	UNION	02/01/66	19668
AREX2545	112J340W	158000	33705	104100	UNION	01/01/66	21158
AREX2546	112J340W	157900	33755	105100	UNION	01/01/67	21158
AREX2547	112J340W	158000	33766	104500	UNION	03/01/67	21132
AREX2548	112J340W	159000	33769	104000	UNION	02/01/79	21134
AREX2549	112J340W	159400	33632	103600	UNION	01/01/67	20516
AREX2550	112J340W	157100	33515	105900	UNION	07/01/76	21471 PT 1
AREX2551	112J340W	158500	33641	104500	UNION	10/01/67	21166
AREX2552	112J340W	158000	33753	105000	UNION	11/01/67	21170 REV A PT 1
AREX2553	112J340W	159000	33725	103500	UNION	11/01/67	21170 REV A PT 1
AREX2554	112J340W	158000	33781	104700	UNION	10/01/67	21170 REV A PT 1
AREX2555	112J340W	158000	33717	104300	UNION	11/01/67	21170 REV A PT 1
AREX2556	112J340W	157400	33763	105600	UNION	11/01/67	21170 REV A PT 1
AREX2557	112J340W	158400	33770	104600	UNION	11/01/67	21170 REV A PT 1


Continuation of Schedule
A to the Security
Agreement Dated October 17, 1991
between Commercial National Bank as
Lender and Aeropres Corporation as Grantor

<u>CAR NO</u>	<u>DOT</u>	<u>CAP</u>	<u>CAIS</u>	<u>L</u> <u>WT</u>	<u>MANUFACTURER</u>	<u>DATE BUILT</u>	<u>CERT</u> <u>OF</u> <u>CONST</u>
AREX2558	112J340W	158000	33780	104900	UNION	06/01/66	21170 REV A PT 1
AREX2559	112J340W	159800	33452	103200	UNION	12/01/67	21485
AREX2560	112J340W	157800	33994	105200	UNION	10/01/68	22556 PT 1
AREX2561	112J340W	158000	33981	104700	UNION	10/01/68	22556 PT 1
AREX2562	112J340W	159000	33996	103100	UNION	01/01/69	22594 REV "A"
AREX2563	112J340W	157000	33930	105200	UNION	11/01/68	22556 PT 1
AREX2564	112J340W	158200	33756	104800	UNION	10/01/89	21133 REV PT 2
AREX2565	112J340W	158600		104400	UNION	02/01/67	20516
AREX2566	112J340W	159000	33345	104000	UNION	02/01/67	20516
AREX2567	112J340W	159000	33450	104000	UNION	02/01/67	20516
AREX2568	112J340W	158600	33570	104400	UNION	04/01/79	20516
AREX2569	112J340W	160500	33430	102500	UNION	04/01/79	21470 PT 2
AREX2570	112J340W	157600	33446	103400	UNION	02/01/67	20516

Handwritten signature/initials

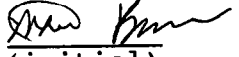
SCHEDULE B TO SECURITY AGREEMENT
DATED OCTOBER 17, 1991
BETWEEN COMMERCIAL NATIONAL BANK
IN SHREVEPORT AS LENDER AND
AEROPRES CORPORATION AS GRANTOR

None.

page 1 of 1 
(initial)

SCHEDULE C TO SECURITY AGREEMENT
DATED OCTOBER 17, 1991
BETWEEN COMMERCIAL NATIONAL BANK
IN SHREVEPORT AS LENDER AND
AEROPRES CORPORATION AS GRANTOR

See the inventory locations listed in Schedule A.

page 1 of 1 
(initial)

SCHEDULE D TO SECURITY AGREEMENT
DATED OCTOBER 17, 1991
BETWEEN COMMERCIAL NATIONAL BANK
IN SHREVEPORT AS LENDER AND
AEROPRES CORPORATION AS GRANTOR

None.

page 1 of 1 SHD Vmm
(initial)